

# USC Leventhal

## School of Accounting

### SYLLABUS ACCT 561T – INCOME TAXATION OF CORPORATIONS AND THEIR SHAREHOLDERS

Fall 2021 / Oct 18 – Dec 15  
JKP 104 / 9:30 a.m. – 12:20 p.m. Tue/Thu

This course offers concepts and principles governing the taxation of corporations and their shareholders; the effect of taxes on corporate formation, capital structure, distributions and liquidations.

**RECOMMENDED  
PREPARATION:**

ACCT 550T or ACCT 560T or LAW 600

**INSTRUCTOR:**

Gregory M. Kling, CPA, MST  
Associate Professor of the Practice of Accounting  
Leventhal School of Accounting, Room 232B  
Phone: 213-740-5004  
Email: [gkling@marshall.usc.edu](mailto:gkling@marshall.usc.edu)

**OFFICE HOURS:**

Tuesdays and Thursdays 12:30 p.m. – 2:30 p.m.  
And by appointment

**EMERGENCY INFO:**

USC Emergencies: 213-740-4321  
USC Public Safety—Non Emergencies: 213-740-6000  
USC Emergency Info Line: 213-740-9233  
USC Information Line: 213-740-2311 or KUSC Radio (91.5 FM)

**TEXTS:**

Bittker & Eustice, *Federal Income Taxation of Corporations & Shareholders* WG&L Federal online treatise  
(Available online through RIA Checkpoint at no cost to students)

Peroni, *Federal Income Tax: Code & Regulations – Selected Sections (2020-2021)*. This is the same text as assigned in Professor Mills' ACCT 551T class.

## RECOMMENDED

### TEXT:

Burke, *Federal Income Taxation of Corporations and Shareholders*, 8<sup>th</sup> Edition West Nutshell Series (NOTE: published 11/28/2018)  
(Available in paperback or eBook directly from the publisher at [http://store.westacademic.com/Burkes\\_Federal\\_Income\\_Taxation\\_of\\_Corporations\\_and\\_Stockholders\\_in\\_a\\_Nutshell\\_8th\\_9781642425673.html](http://store.westacademic.com/Burkes_Federal_Income_Taxation_of_Corporations_and_Stockholders_in_a_Nutshell_8th_9781642425673.html))

## COURSE LEARNING OUTCOMES:

Upon taking this course, students will be able to:

1. Determine the tax consequences to each party of the formation of a corporation.
2. Understand the difference between debt and equity and the impact on both the corporation and its shareholders.
3. Calculate the amount of corporate distributions taxable as dividends.
4. Distinguish between a redemption that can be treated as a sale or exchange and one that is taxed as a dividend.
5. Determine the appropriate tax treatment of corporate liquidations.

## POINTS ASSIGNED TO ASSESSMENTS AND DUE DATES:

Preparation, Contribution & Professionalism	100 points	Each class session
Quiz 1 Modules 1 – 3	160 points	Th, Oct 28
Quiz 2 Modules 4 – 6	160 points	Th, Nov 11
Quiz 3 Modules 7 – 9	160 points	Tu, Nov 23
Tax Analysis Project	100 points	We, Dec 1
Final Exam Modules 1 – 11 (cumulative)	<u>320 points</u>	Th, Dec 9
Total	<u>1000 points</u>	

## IMPORTANT DATES (Session 442)

October 18	First day of classes
October 27	Last day to add course or drop course without a “W”
November 8	Last day to change pass/no pass to letter grade
November 25	Last day to drop course with a “W”
November 24 to 28	Thanksgiving holiday break
December 3	Last day of classes
December 4 to 7	Study days
December 8 to 15	Final examinations
December 15	Session ends

## COURSE POLICIES

1. **Preparation, Contribution, and Professionalism:** Active class participation is important in achieving the learning objectives for this course. Your preparation, contribution, and professionalism produce a more valuable experience for you as well as for your classmates. Lack of preparation, contribution, or professionalism will impact your course grade.

- a. Classroom attendance:

- i. Unless students provide an accommodation letter from USC's [Office of Student Accessibility Services](#) or from Marshall detailing visa or travel restrictions, attendance and active participation is expected in the classroom.
  1. Any student with such accommodations should submit their accommodation document to me as soon as possible to discuss appropriate accommodations. Either classroom recordings or live remote access to the class via Zoom will be provided.
  - ii. Students who are experiencing illness should *not* attend class in person. Please inform me **in advance** of any class sessions that you can't attend for medical reasons, and accommodations will be arranged to view recorded lectures and submit alternatives to any missed class participation. Students will not be penalized for not attending class in person under these circumstances.
- b. Homework problems will be presented and discussed as indicated in the syllabus. Homework problems will not be collected, but your preparation, contribution, and professionalism score is based on advance preparation of the problems and effective presentation when called upon.
- c. Students should be prepared to discuss the materials assigned for each class. Effective contribution during the class sessions consists of analyzing, commenting, questioning, discussing, and building on others' contributions. Contribution may be evaluated as follows:
  - i. *Outstanding Contribution*: You volunteer responses and your contributions reflect considerable preparation and familiarity with the material. Your comments or questions create a spring-board for discussion and add to the learning in the class.
  - ii. *Good Contribution*. You volunteer comments less frequently but when called upon you demonstrate preparedness. You are able to add value to the classroom discussion.
  - iii. *Minimal Contribution*. You contribute minimally, but are generally quiet and don't add much to the discussion.
  - iv. *No Contribution*. You say little or nothing in class. When called upon, you are unprepared to answer.
- d. Professionalism in the classroom will be expected at all times. Because the university classroom is a place designed for the free exchange of ideas, we must show respect for one another in all circumstances. We show respect for one another by exhibiting patience and courtesy in our exchanges. Appropriate language and restraint from verbal attacks upon those whose perspectives differ from your own is a minimum requirement. Courtesy and kindness is the norm for those who participate in my class.

- i. For students attending class in the classroom, laptops are permitted only for accessing class materials and taking notes. Accessing websites, materials, or other content unrelated to class while class is in session is considered unprofessional and will impact your contribution and professionalism grade. Cell phones and laptops need to be silenced.
    - ii. For any students attending remotely, professional conduct means having cameras on but minimizing background distractions.
2. **Quizzes and Exams:** Three quizzes (similar to the homework problems) will be given during the course, as well as a group project, and a final exam, as indicated in the syllabus.
- a. All quizzes and exams will be “open book” (Code, Regs, slides, notes, and assigned readings). Please note that you may not use laptops, tablets, or cell phones during exams, and therefore will not have access to any online materials. You may print applicable materials to have with you during quizzes and exams.
  - b. Make up quizzes and exams will generally not be given, except in the case of a documented medical problem.
  - c. The group project materials and instructions will be posted in Blackboard.
3. **Comprehensive Tax Analysis Project:**
- a. Instructions will be posted on Blackboard. The project will be completed in small groups. Students will be graded on the accuracy of the requested information as well as the quality of the deliverable, including the mechanics of good writing.

4. **Recordings, Class Notes and Course Material Copyrights**

Students may not record any lecture, class discussion or meeting with me without my prior express written permission. The word “record” or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. I reserve all rights, including copyright, to lectures, course syllabi and related materials, including summaries, PowerPoint slides, prior exams, answer keys, and all supplementary course materials (collectively known as “Course Materials”) available to the students enrolled in class whether or not posted on Blackboard or otherwise. **Course Materials may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all public and private file sharing websites by anyone other than me or my designee without my express written permission.** Exceptions are made for students who have made prior arrangements with DSP and me.

Notes made by students on a university class or lecture may only be made for purposes of individual or group study, or for other non-commercial purposes that reasonably arise from the student’s membership in the class or attendance at the university. This restriction also applies to any information distributed, disseminated or in any way displayed for use in relationship to the

class, whether obtained in class, via email or otherwise on the Internet, or via any other medium. **Course Materials (defined above) include student-prepared materials based on course content.**

Actions in violation of this policy constitute a violation of the USC Student Conduct Code and may subject an individual or entity to university discipline and/or legal proceedings.

### **OPTIONAL MATERIALS**

There are a number of optional materials included in the Blackboard classroom to assist students with learning. These materials are not required and are not scored.

Each module has self-assessment exercises which will assist in determining what material is understood and where you should consider re-reviewing some of the material. The questions will come from the assigned materials you should have reviewed prior to class, including textbook reading.

You can attempt these optional exercises as often as necessary to reinforce your learning of the material. The self-assessment exercises will be available for the entire half-semester.

There are various pre-recorded videos and supplemental readings throughout the course. The videos and supplemental readings (included in the Blackboard classroom) are meant to help deepen your understanding of the course materials, as well as to provide additional information for those of you interested in a career in tax. The videos and supplemental readings are optional.

### **LEVENTHAL AND MARSHALL GRADING STANDARDS:**

This course adheres to the USC Leventhal School of Accounting and Marshall School of Business grading Standards for graduate programs. In general, final course grades at the graduate level in a core course average approximately B+ (3.3) but may vary based on class performance. For elective courses, the class average is usually higher (approximately 3.5), which is between a B+ and an A-. You must receive a C or better to pass a required class, and you must have an overall B average (3.0 minimum) from all your courses in order to graduate from USC. The graded elements of this course are listed in this syllabus along with information about how they will be evaluated.

### **LEVENTHAL PROGRAM LEARNING OUTCOMES:**

The Student Learning Outcomes developed for this program by the USC Leventhal faculty and administration and filed with the AACSB, the accrediting body for accounting and business schools, can be found [here](#). This course will deal primarily with learning outcomes #1, 2, and 3, and to a lesser extent with learning outcomes #4 and #5.

## Statement on Academic Conduct and Support Systems

### Academic Conduct

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, “Behavior Violating University Standards” <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

### Support Systems

*Counseling and Mental Health* - (213) 740-9355 – 24/7 on call  
[studenthealth.usc.edu/counseling](http://studenthealth.usc.edu/counseling)

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

*National Suicide Prevention Lifeline* - 1-800-273-8255 [suicidepreventionlifeline.org](http://suicidepreventionlifeline.org)

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

*Relationship and Sexual Violence Prevention and Services (RSVP)* - (213) 740-9355(WELL), press “0” after hours – 24/7 on call [studenthealth.usc.edu/sexual-assault](http://studenthealth.usc.edu/sexual-assault)

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

*Office of Equity and Diversity (OED)*- (213) 740-5086 | *Title IX* – (213) 821-8298  
[equity.usc.edu](http://equity.usc.edu), or [titleix.usc.edu](http://titleix.usc.edu)

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following *protected characteristics*: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations. The university also prohibits sexual assault, non-consensual sexual contact, sexual misconduct, intimate partner violence, stalking, malicious dissuasion, retaliation, and violation of interim measures.

*Reporting Incidents of Bias or Harassment* - (213) 740-5086 or (213) 821-8298  
[usc-advocate.symplicity.com/care\\_report](http://usc-advocate.symplicity.com/care_report)

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity | Title IX for appropriate investigation, supportive measures, and response.

*USC Support and Advocacy* - (213) 821-4710 [uscsa.usc.edu](http://uscsa.usc.edu)

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

*Diversity at USC* - (213) 740-2101 [diversity.usc.edu](http://diversity.usc.edu)

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

*USC Emergency - UPC:* (213) 740-4321, *HSC:* (323) 442-1000 – 24/7 on call [dps.usc.edu](http://dps.usc.edu), or [emergency.usc.edu](http://emergency.usc.edu)

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

*USC Department of Public Safety - UPC:* (213) 740-6000, *HSC:* (323) 442-120 – 24/7 on call [dps.usc.edu](http://dps.usc.edu)

Non-emergency assistance or information.

*Office of Disability Services and Programs* - (213) 740-0776 [dps.usc.edu](http://dps.usc.edu), [ability@usc.edu](mailto:ability@usc.edu).

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs ([dsp.usc.edu](http://dsp.usc.edu)) provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday.

### **Emergency Preparedness/Course Continuity**

In case of a declared emergency if travel to campus is not feasible, the USC Emergency Information web site (<http://emergency.usc.edu/>) will provide safety and other information, including electronic means by which instructors will conduct class using a combination of USC's Blackboard learning management system ([blackboard.usc.edu](http://blackboard.usc.edu)), teleconferencing, and other technologies.

### **International Student Language Support**

The USC American Language Institute provides English language instruction, assessment, and resources to support the academic and professional success of non-native speakers of English pursuing degrees at USC. [dornsife.usc.edu/ali](http://dornsife.usc.edu/ali)

## COURSE SCHEDULE SUMMARY

Class #	Date	First half of class	Second half of class
1	Tu 10/19	Introduction	Module 1 interactive lecture
2	Th 10/21	Module 1 discussion questions	Modules 2 and 3 interactive lecture
3	Tu 10/26	Modules 2 and 3 discussion questions	Review Modules 1 to 3
4	Th 10/28	<b>Quiz 1 (1 hour) on Modules 1 to 3</b>	Module 4 interactive lecture
5	Tu 11/2	Module 4 discussion questions	Module 5 interactive lecture
6	Th 11/4	Module 5 discussion questions	Module 6 interactive lecture
7	Tu 11/9	Module 6 discussion questions	Review Modules 4 to 6
8	Th 11/11	<b>Quiz 2 (1 hour) on Modules 4 to 6</b>	Modules 7 and 8 interactive lecture
9	Tu 11/16	Modules 7 and 8 discussion questions	Module 9 interactive lecture
10	Th 11/18	Module 9 discussion questions	Review Modules 7 to 9
11	Tu 11/23	<b>Quiz 3 (1 hour) on Modules 7 to 9</b>	Module 10 interactive lecture
12	Tu 11/30	Module 10 discussion questions	Module 11 interactive lecture
13	We 12/1	Discuss Tax Analysis Project during Prof. Mills' class from 12:30 pm to 1:50 pm <b>Tax Analysis Project is due by 12:00 pm</b>	
14	Th 12/2	Module 11 discussion questions	Review course materials (cumulative)
	Th 12/9	<b>Final exam, cumulative, from 11:00 am to 1:00 pm</b>	



**SCHEDULE – ACCT 561T**

<b>DATE</b>	<b>TOPICS / READINGS / ASSIGNMENTS</b>
<b>Oct 19</b>	<p><b>Introduction and MODULE 1: Formation of a Corporation I</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Identify and apply the basic requirements for application of Section 351 and Section 1032</li> <li>2. Calculate the consequences of Sections 351 and 1032 for shareholders and corporations, relating to gains/losses, basis, and holding period.</li> <li>3. Compare the treatment of a shareholder transferring property and services under Section 351.</li> </ol> <p><b>Readings:</b>            IRC §§ 351, 358, 362, 368(c), 1032, 1223(1), 1223(2)</p> <p>Regs. § 1.351-1</p> <p>B&amp;E ¶ 3.01, 3.02, 3.07, 3.08, 3.09, 3.10[1], [4], 3.11, 3.12[1], 3.13</p>
<b>Oct 21</b>	<p><b>Prepare: MODULE 1 Discussion Problems to present in class</b></p> <hr/> <p><b>MODULE 2: Formation of a Corporation II</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Determine the tax treatment of “boot” under Section 351, including the allocation of boot gain to multiple properties.</li> <li>2. Calculate the recognized gain when a shareholder receives an installment note in a 351 transaction.</li> <li>3. Evaluate the tax consequences of liabilities being assumed under Section 357.</li> </ol> <p>IRC § 357, 453</p> <p>Regs. § 1.357-1, Regs. § 1.357-2, Prop. Reg. § 1.351-2, Prop. Reg. § 1.453-1(f)(3)(ii)</p> <p>B&amp;E ¶ 3.05, 3.06, 3.10[3], 3.11[4], 3.15[1], 3.18</p>

<b>Oct 21</b>	<p><b>MODULE 3: Formation of a Corporation III</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Compute the appropriate tax treatment of organizational costs.</li> <li>2. Analyze the tax treatment of a contribution of capital for the corporation, shareholders and non-shareholders.</li> <li>3. Evaluate the business considerations of issuing debt versus equity.</li> <li>4. Determine the tax treatment on the disposition or worthlessness of debt and equity.</li> </ol> <p>IRC §§ 61(a)(11), 108(e), 118, 165(g), 166, 248, 362(a)(2), 362(c), 385</p> <p>Treas. Reg. § 1.248-1</p> <p>B&amp;E 3.13, 3.17[6], 4.01, 4.02[1], [2], [3], 4.03, 5.06[1]</p>
---------------	---

<b>Oct 26</b>	<p><b>Prepare:</b> MODULES 2 and 3 Discussion Problems to present in class</p>
	<p><b>Review Session</b></p>
	<p><b>Prepare:</b> Review Session Problems</p>

<b>Oct 28</b>	<p><b>QUIZ 1 MODULES 1 – 3</b></p>
	<p><b>MODULE 4: Operational Issues and Limitations</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Review basic judicial doctrines with regard to corporate taxation.</li> <li>2. Determine corporate taxable income.</li> <li>3. Explain the rules for net operating losses.</li> <li>4. Calculate the corporate income tax liability.</li> <li>5. Calculate the potential penalty taxes applicable to a corporation.</li> </ol> <p><b>Readings:</b></p> <p>IRC § 11, 162(m), 163(j), 170(b)(2), 170(d)(2), 172, 243, 246, 531 to 533, 535, 537, 541 to 543, 1211(a), 1212(a)</p> <p>B&amp;E 1.01, 1.05[2][b] – [d], 4.02[4][d], 5.01– 5.03 (excluding 5.03[5] – [7], [9], [10]), 5.05 to 5.05[2], 5.05[7][a] – [c], 7.01 – 7.06, 7.20 – 7.24</p>

<b>Nov 2</b>	<b>Prepare:</b> MODULE 4 Discussion Problems to present in class
	<p><b>MODULE 5: Non-Liquidating Distributions-Cash and Constructive Dividends</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Define and compute earnings and profits.</li> <li>2. Determine the tax consequences of a corporate distribution of cash, including the impact on current and accumulated earnings and profits.</li> <li>3. Identify when a constructive distribution occurs.</li> </ol> <p><b>Readings:</b>            IRC § 301, 312, 316, 317</p> <p>Treas. Reg. §§1.301-1(a) – (c); 1.312-1; 1.312-6; 1.312-7; 1.312-15;            1.316-1(a); 1.316-2</p> <p>Rev Rul 74-164</p> <p>B&amp;E 8.01 – 8.06</p>

<b>Nov 4</b>	<b>Prepare:</b> MODULE 5 Discussion Problems to present in class
	<p><b>MODULE 6: Non-Liquidating Distributions-Property Distributions</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Differentiate the tax consequences of a property versus cash distribution for the corporation and shareholder.</li> <li>2. Calculate the effect on Earnings &amp; Profits of a corporation’s distribution of depreciated property.</li> <li>3. Compute the shareholder’s basis in property received pursuant to a corporate distribution.</li> </ol> <p><b>Readings:</b>            IRC § 301, 311, 312, 316, 317(a)</p> <p>Reg § 1.301-1(d) – (m)</p> <p>B&amp;E 8.20 – 8.23</p>

<b>Nov 9</b>	<b>Prepare:</b> MODULE 6 Discussion Problems to present in class
	<b>Review Session</b>
	<b>Prepare:</b> Review Session Problems

Nov 11	<p style="text-align: center;"><b>QUIZ 2 MODULES 4 – 6</b></p> <hr/> <p><b>MODULE 7: Stock Redemptions &amp; Partial Liquidations I</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Explain what a redemption is.</li> <li>2. Identify the tax consequences when a redemption is treated as a sale or exchange versus a Section 301 distribution.</li> <li>3. Identify the four criteria of Section 302.</li> <li>4. Apply the constructive ownership rules to allocate ownership to an entity.</li> <li>5. Determine when Section 302(b)(1) will apply to treat a redemption as a sale or exchange.</li> <li>6. Apply the three Section 302(b)(2) tests to determine if a substantially disproportionate redemption has occurred.</li> </ol> <p><b>Readings:</b>          IRC § 302, 317(b), 318           Reg § 1.302-3(a)           B&amp;E 9.01 – 9.03, 9.05</p>
--------	---

Nov 11	<p><b>MODULE 8: Stock Redemptions &amp; Partial Liquidations II</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Apply the rules of Section 302(b)(3) to determine if a redemption is a sale or exchange.</li> <li>2. Discuss the requirements of Section 302(b)(4) and determine situations where it might apply.</li> <li>3. Explain what happens to basis when a redemption of stock is treated as a dividend under Section 301.</li> <li>4. Define redemptions through the use of related corporations under Section 304.</li> <li>5. Determine when Section 301 applies to a Section 304 deemed redemption.</li> <li>6. Differentiate between the taxability of transactions when Section 301 does and does not apply to a Section 304 deemed distribution.</li> </ol> <p><b>Readings:</b>          IRC § 302, 304, 312(n)(7), 318           Reg §§ 1.302-4, 1.304-2           B&amp;E 9.04, 9.07 (excluding 9.07[3][b]), 9.09 (excluding 9.09[5]), 9.22[1], 9.22[2] first two paragraphs, 9.22[3], 9.24</p>
--------	---

<b>Nov 16</b>	<b>Prepare:</b> MODULES 7 and 8 Discussion Problems to present in class
	<p><b>MODULE 9: Stock Dividends &amp; Section 306 Stock</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Demonstrate the rules pursuant to Section 305 with regard to stock dividends, including exceptions to its application.</li> <li>2. Determine when a shareholder has received Section 306 stock.</li> <li>3. Calculate the tax consequences of dispositions of Section 306 stock.</li> </ol> <p><b>Readings:</b> IRC § 305 to 307</p> <p>Reg § 1.305-1 to -7, 1.306-1 to -3</p> <p>B&amp;E 8.40 – 8.42, 8.60 – 8.65</p>

<b>Nov 18</b>	<b>Prepare:</b> MODULE 9 Discussion Problems to present in class
	<p><b>Review Session</b></p> <p><b>Prepare:</b> Review Session Problems</p>

<b>Nov 23</b>	<b>QUIZ 3 MODULES 7 – 9</b>
	<p><b>MODULE 10: Complete Liquidations</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Distinguish a complete liquidation from a sale.</li> <li>2. Discuss the differences in tax impact between a complete liquidation distribution versus a dividend.</li> <li>3. Compute the amount of gain or loss recognized by a liquidating corporation.</li> <li>4. Calculate the tax consequences to the shareholder on receipt of property in a complete liquidation.</li> <li>5. Determine the basis of property received in a complete liquidation.</li> </ol> <p><b>Readings:</b> IRC § 331, 334, 336</p> <p>Reg § 1.331-1, 1.332-2(c)</p> <p>Rev Rul 85-48</p> <p>B&amp;E 10.20, 10.21[1] to [3], 10.22 – 10.25</p>

<b>Nov 25</b>	<b>Holiday, No Class</b>
---------------	--------------------------

<b>Nov 30</b>	<b>Prepare:</b> MODULE 10 Discussion Problems to present in class
	<p><b>MODULE 11: Subsidiary Liquidations</b></p> <p><b>Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Apply the Section 332 criteria for a qualifying subsidiary liquidation.</li> <li>2. Explain the impact of insolvency in a Section 332 liquidation.</li> <li>3. Compute the basis of liquidated assets in the hands of the Parent Corporation.</li> <li>4. Determine the tax effect of the subsidiary's liquidation on minority shareholders.</li> <li>5. Apply Section 337(a) when determining the recognition of gain/loss to the liquidating corporation.</li> <li>6. Illustrate the carryover of tax attributes in a Section 332 liquidation.</li> </ol> <p><b>Readings:</b>          IRC § 332, 334, 336(d)(3), 337, 381           Reg § 1.332-2           B&amp;E 10.10 – 10.15, 14.20, 14.21[1], 14.21[2], 14.23[1][a], 14.23[2], 14.23[5]</p>

<b>Dec 1</b>	<b>Discuss Tax Analysis Project in Professor Mills' class from 12:30 pm to 1:50 pm</b> <b>Project must be submitted via Blackboard by noon</b>
--------------	---

<b>Dec 2</b>	<b>Prepare:</b> MODULE 11 Discussion Problems to present in class
	<p><b>Review Session</b></p> <p><b>Prepare:</b> Review Session Problems</p>

<b>Dec 9</b>	<b>Final exam, cumulative</b>
--------------	-------------------------------